

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

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Smith
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FILE: B-211679

DATE: September 2, 1983

MATTER OF: ABC Food Service, Inc.

DIGEST:

1. Protest that payment and performance bonds which designate individuals as sureties are not equivalent to bonds underwritten by corporate sureties is without merit as regulations expressly authorize the use of bonds underwritten by individual sureties.
2. Question of whether the two individual sureties required on each bond have sufficient net worths to cover the bidder's possible default is a matter of responsibility to be decided by the agency based on its business judgment.

ABC Food Service, Inc. protests the use of payment and performance bonds underwritten by individual sureties under invitation for bids (IFB) No. F04684-83-B-0004, issued by Vandenberg Air Force Base.

ABC, the sixth low bidder, contends that payment and performance bonds guaranteed by individual sureties are not equivalent to bonds underwritten by corporate sureties. ABC argues that bonds designating individual sureties lack the credibility and status of bonds listing corporate sureties.

ABC's protest appears to be without merit. The regulations require the contracting officer to consider bids containing bonds underwritten by individual sureties. Defense Acquisition Regulation (DAR) § 10-201.1(a). Further, DAR § 10-201.2(a) expressly states that individual sureties are acceptable for all types of bonds other than position schedule bonds.

The question of whether the two individual sureties required on each bond, DAR § 10-201.2, have sufficient net worths to cover the bidder's possible default is a matter of responsibility to be decided

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based on the business judgment of the contracting agency. Consolidated Services, Inc., B-206413.3, February 28, 1983, 83-1 CPD 192. We do not review affirmative responsibility determinations except in cases where the protester shows possible fraud or bad faith by procuring officials or misapplication of definitive responsibility criteria, CWC Inc., B-209383, October 19, 1982, 82-2 CPD 347. Since no such showing has been made here, we have no basis to object to the agency's acceptance of any of the individual sureties designated on bidder's bonds submitted under the procurement.

We deny the protest.

A handwritten signature in cursive script, reading "Milton J. Forster".

Acting Comptroller General
of the United States